

Superseded 5/10/2016

54-7-13.5 Energy balancing accounts.

(1) As used in this section:

- (a) "Base rates" is as defined in Subsection 54-7-12(1).
- (b) "Energy balancing account" means an electrical corporation account for some or all components of the electrical corporation's incurred actual power costs, including:
 - (i)
 - (A) fuel;
 - (B) purchased power; and
 - (C) wheeling expenses; and
 - (ii) the sum of the power costs described in Subsection (1)(b)(i) less wholesale revenues.
- (c) "Gas balancing account" means a gas corporation account to recover on a dollar-for-dollar basis, purchased gas costs, and gas cost-related expenses.

(2)

- (a) The commission may authorize an electrical corporation to establish an energy balancing account.
- (b) An energy balancing account shall become effective upon a commission finding that the energy balancing account is:
 - (i) in the public interest;
 - (ii) for prudently-incurred costs; and
 - (iii) implemented at the conclusion of a general rate case.
- (c) An electrical corporation:
 - (i) may, with approval from the commission, recover costs under this section through:
 - (A) base rates;
 - (B) contract rates;
 - (C) surcredits; or
 - (D) surcharges; and
 - (ii) shall file a reconciliation of the energy balancing account with the commission at least annually with actual costs and revenues incurred by the electrical corporation.
- (d) An energy balancing account may not alter:
 - (i) the standard for cost recovery; or
 - (ii) the electrical corporation's burden of proof.
- (e) The collection method described in Subsection (2)(c)(i) shall:
 - (i) apply to the appropriate billing components in base rates; and
 - (ii) be incorporated into base rates in an appropriate commission proceeding.
- (f) The collection of costs related to an energy balancing account from customers paying contract rates shall be governed by the terms of the contract.
- (g) Revenues collected in excess of prudently incurred actual costs shall:
 - (i) be refunded as a bill surcredit to an electrical corporation's customers over a period specified by the commission; and
 - (ii) include a carrying charge.
- (h) Prudently incurred actual costs in excess of revenues collected shall:
 - (i) be recovered as a bill surcharge over a period to be specified by the commission; and
 - (ii) include a carrying charge.
- (i) The carrying charge applied to the balance in an energy balancing account shall be:
 - (i) determined by the commission; and
 - (ii) symmetrical for over or under collections.

(3)

- (a) The commission may:
 - (i) establish a gas balancing account for a gas corporation; and
 - (ii) set forth procedures for a gas corporation's gas balancing account in the gas corporation's commission-approved tariff.
- (b) A gas balancing account may not alter:
 - (i) the standard of cost recovery; or
 - (ii) the gas corporation's burden of proof.
- (4)
 - (a) All allowed costs and revenues associated with an energy balancing account or gas balancing account shall remain in the respective balancing account until charged or refunded to customers.
 - (b) The balance of an energy balancing account or gas balancing account may not be:
 - (i) transferred by the electrical corporation or gas corporation; or
 - (ii) used by the commission to impute earnings or losses to the electrical corporation or gas corporation.
 - (c) An energy balancing account or gas balancing account that is formed and maintained in accordance with this section does not constitute impermissible retroactive ratemaking or single-issue ratemaking.
- (5) This section does not create a presumption for or against approval of an energy balancing account.